

## State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

## Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 24, 2009

CERTIFIED RETURN RECEIPT 7003 2260 0002 0247 7914

Lon Thomas Star Stone Quarries, Inc. 4040 South 300 West Salt Lake City, Utah 84107

Subject:

Notice of Cancellation/Termination of Reclamation LOC Number

Star

Stone Quarries, Inc., Heber Quarry, M0510001 Wasatch County, Utah

Dear Mr. Thomas:

Please review the enclosed Key Bank's Notice of Non-Renewal notification indicating the Letter of Credit (LOC) in the amount of \$4,900.00 for the Heber Quarry Mine. According to the terms of the LOC the Bank may elect not to renew as long as a ninety (90) day notice is given to the Division. These terms have been met; therefore, effective June 30, 2009, the LOC will not be renewed. Paragraph 2 of the Reclamation Contract, states the operator shall provide a replacement surety within sixty (60) days following the Division's receipt of the cancellation/termination notice.

You are hereby advised that the Division must receive a replacement form of surety on or before May 21, 2009 or the Division will be forced to do any/some of the following:

- Carry out the terms of the LOC number
- Submit a request to the Board of Oil, Gas and Mining to withdraw the permit
- Order the cessation of mining operations
- Order immediate reclamation of all lands affected



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If you have questions or require assistance regarding the surety, please contact Penny Berry (801) 538-5291 or email <a href="mailto:bondcoordinator@utah.gov">bondcoordinator@utah.gov</a>. Thank you in advance for your prompt attention to this important permitting requirement.

Sincerely,

Paul Baker

Minerals Program Manager

LRRP

PBB:pb

**Enclosure: Notice of Non-Renewal**